

APR 12 1964

Flying Tiger Reports Profit During Quarter

LOS ANGELES (DJ)—Flying Tiger Line Inc. was "substantially in the black" in the first quarter, Robert W. Prescott, president, told Dow Jones. A year ago the cargo-carrying airline had a first quarter loss of \$1,086,000 on operating revenues of \$7,019,000. Revenues in the March quarter this year rose to about \$12 million he said.

Assuming no reduction in the current volume flown under contract for the United States military, much of which currently is going to Viet Nam, Prescott predicted Flying Tiger "could probably earn a couple of million dollars after taxes" or about \$1.30 a share for all 1965. Volume this year should range between \$45 million and \$50 million he added.

In 1964 the carrier reported net from operations of \$1,301,000 or 82 cents a share with revenues totaling \$45,468,000. Net after a \$199,000 non-recurring gain was \$1,501,000 or 95 cents a share.

Military charter accounted for \$23,151,000 of Flying Tiger's revenues last year. Almost all the company's military contracts are to haul supplies and passengers between West Coast and Pacific Ocean points. The carrier's planes are currently "running at just about 100 percent" of capacity, Prescott said.

Commercial freight and charter business of Flying Tiger is producing about 30 percent more revenues than at the same time a year ago the Prescott predicted the trend would continue. "We expect to do about \$18 million in commercial freight this year, compared with \$13,707,000 in 1964, he said.

Flying Tiger directors "might consider a dividend declaration early next year if 1965 earnings meet expectations" Prescott said.

"I frankly think it is time to start paying our stockholders something." Flying Tiger's only cash dividend on common was eight cents paid in 1960. Long-term debt restrictions currently prohibit cash dividends, but he predicted earnings this year will be high enough to more than wipe out the restrictions.